



state senator Vic Heinold

2005 LEGISLATIVE UPDATE

Indiana Senate
200 W. Washington St.
Indianapolis, IN 46204

Prst Std
U.S. Postage
PAID
Indianapolis, IN
Permit No. 7767



state senator Vic Heinold

serving district 5

200 W. WASHINGTON ST., INDIANAPOLIS, INDIANA 46204 • WWW.IN.GOV/S5

INSIDE THIS ISSUE: • voter id • biofuels • defending marriage • fighting meth

The State Budget: Holding the Line on Spending

LEGISLATURE PASSES FIRST BALANCED BUDGET IN 10 YEARS

The Indiana General Assembly has passed a balanced two-year state budget that holds the line on spending, eliminates the structural deficit, adds no new state taxes, provides \$4 billion in property tax replacement credits and adds \$112.4 million to K-12 education.

Senate Republicans voted to control state spending while boosting funding for K-12 education, scholarships for higher education and child protection. Medicaid funding is held to a 5 percent increase. This is in contrast to the 10 percent growth experienced during the current bien-nium.

The passage of this budget is quite an accomplishment. To overcome a \$600 million structural deficit and end up with reserves – all without new state taxes – is no small feat.

Education funding remained a top priority by the Senate Republicans. The school funding formula is driven by an innovative approach that funds children as individuals instead of simply funding corporations. Special factors, such as poverty, single parent families and free lunches, are taken into consideration when determining the level of funding that is to follow a child.

The General Assembly continually has increased education spending in past years, even when other states were cutting education. In 2003, Indiana had the highest increase of K-12 funding in the country – during a national recession. The new budget

gives more money and adds funding options to Indiana public schools than has ever been given in the history of the state.

Additionally, the state is distributing to local governments \$4 billion in property tax replacement credits (PTRC), in an effort to provide relief to homeowners and other property tax payers. Local governments and schools keep 99.9 percent of all property taxes, which are levied by local governments and schools. Half of all revenue raised by the state sales tax is used for PTRC, as is 14 percent of the income tax and nearly a half billion dollars every year from the wagering tax.

Earlier in the session, Senate Republicans voted to pass a measure to reform the property tax system by giving local governments an option to shift the property tax burden to an income tax in order to be more fair and equitable to Hoosiers. The initiative was successful in the Senate but failed to receive consideration in the House of Representatives when the bill met substantial opposition from local government officials.

The new budget is a prescription for positive change in Indiana. It is the first balanced budget crafted by legislators in 10 years. I strongly support efforts to keep spending down while providing adequate funding for essential services.

Legislature Creates Dept. of Agriculture

Agriculture is one of the largest and most important industries in Indiana. As one of the nation's leaders in a vast array of agricultural areas, it would probably come as a surprise to most Hoosiers that, prior to this legislative session, our state had no official Department of Agriculture.



Indiana was one of only four states that operated without an official Department of Agriculture. The other three – Alaska, Arkansas, and Rhode Island – come as little surprise, but our state ranks second in the nation in the amount of prime farmland, and a one-stop entity that would handle all of our agriculture issues would greatly benefit this industry.

House Enrolled Act 1008, which I co-sponsored, created the official Indiana Department of Agriculture and consolidates duties that were once scattered across numerous agencies.

The move costs Indiana taxpayers no additional money. In fact, I hope it actually saves money by merging the 10 separate agriculture boards and commissions into one large department.

The bill also changes who serves as the chief advocate for the agriculture community. Previously, the lieutenant governor automatically served as the state's top agriculture official. While most lieutenant governors, including current Lt. Gov. Becky Skillman, have performed admirably in that position, some have not had the expertise needed to carry out such important responsibilities. The passage of this bill allows the governor to appoint a Commissioner of Agriculture, which will allow the governor to choose the most qualified person to handle the state's agricultural dealings.

Indiana is one of the nation's top agriculture states. This new law will enable us to take full economic advantage of one of our state's traditional strengths.

FACTS & FIGURES

FROM THE 2005 LEGISLATIVE SESSION

The First Regular Session of the 114th General Assembly began on Organization Day, November 16, 2004, and adjourned April 29, 2005.

This budget year was known as the “long” session.

Senate bills introduced: 647
Senate joint resolutions introduced: 10

Senate bills passed: 164
Senate joint resolutions passed: 1

House bills introduced: 859
House joint resolutions introduced: 18

House bills passed: 85
House joint resolutions passed: 1

Percent of introduced bills that were sent to the governor: 17%

Sen. Heinold had a 100% voting attendance record in

stay connected
to the
indiana senate



Visit my web site at:
www.in.gov/S5
where you can read my latest news releases, track bills, and learn more about Indiana laws.

Add your name to my e-mail list by writing to: S5@in.gov

During the legislative session, you can click on our [live video](#) link to watch a session day in real time.



Photo: Sen. Heinold leads the daily Pledge of Allegiance with Lt. Governor Becky Skillman

Fighting Meth

Methamphetamine production has become widespread in our state, and this year the legislature has proven its commitment to curbing this criminal activity.

In 2003, Indiana law enforcement seized 422 meth labs, a figure higher than any other Midwestern state, according to the Drug Enforcement Administration.

It is difficult to catch meth producers. All of the ingredients needed to manufacture meth can be purchased legally and are relatively inexpensive. For example, an investment of \$1,000 in easily purchased ingredients can produce \$20,000 worth of meth.

This year, we passed a bill to regulate the sale and purchase of meth precursors in the hope of reducing production in Indiana. Senate Enrolled Act 444 includes a variety of measures designed to stop the production of meth by placing restrictions on the sale and purchase of drugs containing ephedrine or pseudoephedrine, commonly found in over the counter cold and allergy medicines.

Retailers must store such drugs in a locked display case or behind a counter that requires employee assistance. Pharmacies may place the drugs directly in front of the pharmacy counter in the line of sight of a pharmacy employee and in an area under constant video monitoring.

Customers purchasing these drugs must present identification and record their identifying information in a log book provided and maintained by the retailer.

The bill bars retailers from selling the drugs to individuals under age 18 and allows no more than 3 grams of drugs containing ephedrine or pseudoephedrine in any one transaction. It also prevents customers from purchasing more than 3 grams of such drugs in a single week.

Meth production has become a significant problem in Indiana. We have no choice but to fight back with every available weapon.

Rooting Out Voter Fraud

Secure, fair elections are essential to preserving the rights of all Americans

Voting in a fair and credible election is at the heart of American citizenship. It is the Legislature's responsibility to adopt policies that protect our representative democracy by ensuring each vote cast is valid and legal.

A group of Senate bills were introduced this year to update outmoded election laws, reinforce the integrity of voting absentee and strengthen voters' rights at the polls by ensuring their votes are secure.

Of all the reform initiatives, none may be as critical as Senate Enrolled Act 483.

SEA 483, which I authored, requires citizens to show government-issued photo identification at the polls before voting. Photo IDs are required for many commonplace circumstances that Americans face every day, like renting a video or obtaining a library card. It only makes sense that a photo ID be required for something as important as voting.

In fact, many voters are surprised to learn they are not currently required to show some form of identification at the polls. It is not uncommon for a voter to arrive at the polling place and instinctively reach for a purse or wallet to retrieve an ID, only to be told it is unnecessary.

Years ago, poll workers knew the people in their precinct and had no reason to question someone's identity. Now, it is increasingly common for Election Day volunteers to live in another town or city than the one in which they are serving. The voter ID bill gives poll workers a tool to verify a person's identity. Considering recent nationwide vot-

ing problems, and some within Indiana, this is a common-sense step to help prevent fraud.

Objections to requiring a photo ID stem from a concern that some voters cannot afford the \$9 fee needed to purchase a state ID card. The Bureau of Motor Vehicles has agreed to grant photo IDs free of charge to those who cannot pay. Residents of state-licensed nursing homes are exempt from showing identification if a polling place is located in the facility where they reside. The bill also protects the rights of those who have a religious objection to being photographed.

Voters who show up at the polls without identification will be able to fill out a provisional ballot. They then will be required to visit the county clerk or election board's office and show an ID or object on religious grounds. The bill also requires the state of Indiana to mail out notices informing

Hoosiers of the new requirements before the next election.

In 2003, the BMV issued 5.6 million driver licenses and 1.4 million state ID cards. With the state's adult population being just over 4.5 million in 2000, it's hard to imagine this legislation having an adverse effect on the vast majority of Hoosiers. The voter ID initiative has been supported publicly by Secretary of State Todd Rokita, Indiana's chief election officer.

This simple change in the rules will inspire more confidence in the election process and in our state government. Legislators want to protect voters' rights and assure that every vote is counted fairly and equally.

In 2003, the BMV issued 5.6 million driver licenses and 1.4 million state ID cards.



SEA 12 — The "Code Adam" program sets a protocol for lost or missing children in certain state buildings. This initiative, on a smaller scale, is similar to the popular and successful "Amber Alert" program. **PASSED. My vote: YES**

HEA 1501 — This bill establishes the position of inspector general, an employee of the governor, who works to weed out corruption. Years of scandal in previous administrations cost the state at least \$25 million; we may never know the full extent of misspending. **PASSED. My vote: YES**

BIOFUELS:

Good for the economy and the environment

Two significant clean energy initiatives have passed the Indiana General Assembly and have become law.

House Enrolled Act 1032 requires state government to fuel state vehicles with agriculture-based fuels, such as biodiesel, ethanol, or gasohol, whenever possible. Biodiesel is a clean burning alternative fuel, produced from domestic, renewable resources, such as soybeans. Biodiesel contains no petroleum, but it can be blended at any level with petroleum diesel. This helps improve air quality and our economy by taking advantage of resources from right here in Indiana. This bill was signed into law by the governor on April 1.

Senate Enrolled Act 378 will expand the tax incentives passed during the 2003 legislative session on the production and use of Indiana soy diesel and ethanol fuels and provide additional incentives for clean coal gasification plants. This bill covers all facets of processing – from soybean crushers to oil refineries to the service stations that will supply the fuel – while growing the demand for agricultural commodities and increasing

farmers' profits. Ethanol production plants cost around \$79 million to build and don't receive these tax breaks until they are making a profit in our state.

SEA 378 provides an additional \$5 million for bio-diesel production, which will be divided into \$1 million sections for the refineries, wholesale, blenders, and service stations that carry the fuel. The bill also expands the tax credit from \$10 million to \$20 million for large ethanol and soy diesel production plants. This will provide a great opportunity for both soy diesel and ethanol plants.

Additionally, SEA 378 provides tax credits for companies who build and operate integrated coal gasification power plants in Indiana. Coal gasification is the process of using Indiana's high sulfur-coal and transforming it into clean burning energy.

Our state's use of coal has not kept up with our production. Since 1987, coal consump-



LEFT: Sen. Vic Heinold co-authored SEA 378, which provides support for the production of biofuels. Here, Heinold discusses SEA 378 with the bill's author, Sen. Tom Weatherwax of Logansport.

tion in Indiana has increased by 30 percent, while Indiana's coal production has increased by only 3 percent. Currently, over half of the coal used to generate electricity is imported into Indiana. If Indiana coal were to replace imported coal, it would add \$1.35 billion and 18,000 jobs to our state's economy.

With rising gas prices and pollution issues, this alternative source of energy has great potential. This fuel is cheaper and better for our environment. Also, the economic possibilities of alternative energy, and producing it here in Indiana, are fantastic.

These measures are great achievements for our environment and our economy. I hope that we can take full advantage of these alternative sources of energy and make Indiana a leader on this issue.



SJR 7: In Defense of Marriage

A few years ago, the Indiana Civil Liberties Union filed a lawsuit to challenge the state's legal definition of marriage. Recently, the Court of Appeals rendered a verdict in the case, upholding the state's statute that defines marriage as an institution between one man and one woman.

While I applaud the Court of Appeals for its ruling, more must be done to protect our law. An amendment to the Indiana Constitution is the only means available to protect our law and our traditions from further lawsuits. Senate Joint Resolution 7, which I co-authored, seeks to amend the constitution to prevent the courts from defining marriage.

The proposed amendment includes a section that bars courts from interpreting the constitution or any Indiana law as a mandate to grant marital status to unmarried couples or groups. The Indiana Constitution reads: "The Legislative authority of the State shall be vested in a General Assembly, which shall consist of a Senate and a House of Representatives." The public elects legislators to craft laws based on the wants and needs of citizens. This amendment reinforces that duty.

The court battle highlights the importance of beginning the lengthy process to amend the Indiana Constitution as soon as possible. This requires multiple steps. First, a legislator authors a resolution to put the proposed amendment on the ballot. If the resolution fails on the first try, it's back to the drawing board – an amendment must be approved by two separately elected, consecutive Indiana General Assemblies.

The first step in the amendment process has been completed. Both the Senate and House of Representatives have approved the resolution for the first time. Therefore, it must gain the approval of the General Assembly again during the 2007 or 2008 session and then appear as a question on the 2008 general election ballot for public approval.

Hoosiers ultimately should have the final say when it comes to this issue. Last November, voters in 11 states approved similar amendments across the nation. Indiana legislators acted this year in order to place this decision in the hands of the people.

SEA 127 — This bill requires all 92 Indiana counties to observe daylight-saving time, beginning in 2006. A clear majority of the citizens in our district were opposed to the bill. The governor now is requesting the federal government hold hearings regarding whether some parts or all of the state should be on Eastern or Central time. Citizens living in the Eastern Time Zone should communicate with county officials if they would like to support a change to Central time. **PASSED. My vote: NO**

SEA 76 — This law requires a health care provider to provide a pregnant woman with information regarding the availability of ultrasound imaging and auscultation of heart tones of a fetus before performing an abortion. **PASSED. My vote: YES**